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CENTRAL INTELLIGENCE AGENCY
National Foreign Assessment Center

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INTELLIGENCE MEMORANDUM

Rising Tide of Indochinese Refugees

Key Points

- *The flow of refugees from Vietnam, Laos, and Kampuchea has not abated with the passage of time since the Communist victories in Indochina; in fact, over the past year the numbers have increased markedly.*
- *The political and economic developments that have stimulated this exodus are unlikely to change in the near term; a continued large outflow is probable, although much will depend on the effort individual Indochina states can or will exert to stop the refugees.*
- *The Indochina states do not appear embarrassed by the large refugee outflow. Moreover, Vietnam is actively encouraging the departure of those it considers potential security risks, particularly the overseas Chinese.*

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- *Most of the refugees arrive in Thailand or Malaysia, causing concern in these governments about potential domestic political and security problems.*
- *The increasingly unmanageable refugee situation is a potential irritant in US bilateral relations with some non-Communist Southeast Asian states, as well as among the states themselves, and between them and the Communist governments of Indochina.*
- *International consultations on the growing Indochinese refugee problem will take place December 11 and 12 in Geneva under the auspices of the UN High Commissioner for Refugees.* [REDACTED]

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US government estimates in August 1977 predicted that 60,000 would flee Indochina between July 1977 and December 1980. Between August 1977 and mid-November 1978, however, the number of arrivals in non-Communist Southeast Asia already totaled over 116,000, of whom almost 60,000 were Vietnamese arriving by boat. Unforeseen circumstances, such as Vietnam's escalating conflicts with Kampuchea and China and worsening economic conditions in Laos, partly explain the dramatic increase. [REDACTED]

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The sharp escalation in the refugee exodus, particularly from Vietnam, will impart a sense of urgency to the Indochinese refugee consultations scheduled for Geneva on December 11 and 12 under the auspices of the UN High Commissioner for Refugees. All interested nations have been invited, including Vietnam, but the Vietnamese are not expected to attend. The non-Communist Southeast Asian states, which have borne the brunt of the refugee exodus, will seek assurances that the US and others will organize swift departure to third countries for all seeking asylum. Other likely topics of discussion include the possibility of prevailing upon the Indochinese states to help establish a more orderly refugee outflow, ways to spread the resettlement responsibility among a wider number of nations, as well as long-term institutional, financial, and procedural issues involving the Indochinese refugee problem. [REDACTED]

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Contributing Factors

Initially most refugees were members of the military or civil service of the former non-Communist governments of South Vietnam, Laos, and Cambodia. Subsequent refugees were more often people fleeing deteriorating economic conditions, ethnic animosity, and intensified efforts by the Communist governments to create socialist economies and tighten political controls. In addition, specific problems in each of the three countries have caused refugees to leave. []

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Chinese residents of Vietnam account for much of the increase from that country in 1978 and perhaps as many as three-quarters of the refugees now arriving by boat in Southeast Asia. Hanoi's decision in March 1978 to nationalize commerce, which had been largely controlled by overseas Chinese, occurred at a time when the Chinese community was already under increased pressure from Vietnamese authorities as a result of Peking's support of Kampuchea in its bloody border war with Vietnam. These events and the rumors they inspired created an air of panic among the Chinese community. Over 160,000 Chinese, mostly from northern Vietnam, fled to China. Those in southern Vietnam had little interest in going to China and instead began seeking a way to escape to the West. The border war between Vietnam and Kampuchea has also added to the general uneasiness inside Vietnam. Many Vietnamese say they fled because they feared military conscription. []

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Vietnamese efforts to resettle urban dwellers in so-called New Economic Zones also raised fears among the population and caused people to leave. These "zones" are new agricultural settlements located on large tracts of previously uncultivated or abandoned rural land, often near the Kampuchean border; the sites are often poorly prepared; and living conditions are extremely harsh. Some Vietnamese characterize the settlements as little better than concentration camps, and few willingly relocate to them. []

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Political and military actions of the Laotian government designed to increase its control in the countryside are largely responsible for the increased number of Laotian refugees

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entering Thailand in 1978. In late 1977, the Laotian government supported by Vietnamese troops moved against rebellious Hmong (Meo) tribesmen in the highlands of Central Laos. Large numbers of Hmong fled across the border into Thailand. Although Hmong continue to leave at a steady rate, more recently large numbers of Lowland Lao from the area around Vientiane and along the Mekong River in southern Laos have begun crossing into Thailand. Worsening economic conditions, including severe food shortages, and government attempts to reorganize agriculture along socialist lines have caused thousands of these people, who are mostly rice farmers, to leave. [REDACTED]

Life in Kampuchea today is much harsher than in either Vietnam or Laos, but the number of refugees remains relatively limited despite worsening conditions. Kampuchean security along the border is so tight that most escapees are shot before reaching Thailand and effective security and population controls prevent escape by boat. By contrast, the border with Vietnam is more open, and over 100,000 Kampucheans have fled into southern Vietnam. [REDACTED]

Refugees Policies

More than 160,000 refugees are still in temporary camps outside Indochina, most of them in Thailand and Malaysia. Thailand has over 124,000 refugees in 15 camps. About 100,000 of these are from Laos. In November 1977, the Thai government announced an exclusionary policy intended to discourage refugees by threatening to repatriate those who were not legitimate political refugees. The Thai are concerned about the increasing number of poor farmers fleeing Laos; Bangkok considers them illegal aliens rather than refugees. Efforts to keep them out, however, have been largely unsuccessful because the border is not well-patrolled, and the Thai have forced relatively few to return in part from concern about how the Laotian authorities would treat them. [REDACTED]

The Thai are concerned about the domestic political consequences of the growing refugee camps. Many are located in extremely poor areas, often with active Communist insurgent groups. Not all of the refugees who flee to Thailand come

to the attention of Thai officials; some observers estimate that as many as 10 to 15 percent resettle themselves in the area. The Lowland Lao, for example, are culturally similar to the Thai, and many have family or other contacts on the Thai side of the Mekong River. [REDACTED]

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The number of Vietnamese seeking asylum has increased substantially during the past year, from an average of 1,700 per month in the first quarter of 1978 to over 12,000 in October alone. For geographic reasons, most of them arrive in Malaysia. Malaysia has seven major refugee camps containing a total of over 40,000 Vietnamese refugees. The rapid increase is causing grumbling among local Malaysian officials about the burden being placed on them. The camps are in a very poor part of Malaysia, and some Malaysian press accounts charge that a serious inflation problem exists in the nearby villages. [REDACTED]

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The large percentage of ethnic Chinese among the recent arrivals exacerbates the problem for Malaysia, which already has a serious communal problem caused by friction between Muslim Malays and local Chinese. The severe overcrowding of the camps has aroused fear among Malaysian police that the refugees could become "restless" and create a potentially serious security problem. The Malaysian government until recently had not publicized the refugee influx because it feared that this might complicate the problem, but in recent weeks it has reversed its policy and begun to politicize the issue in the local media. The sensational reporting that has resulted, however, may cause the government severe problems by inflaming local opinion against the refugees.

[REDACTED]

The Malaysian navy has increased its patrols off the coast in an effort to intercept and turn back arriving refugee boats, but many refugees still manage to beach and destroy the boats before the navy can tow them back. In some instances, irate Malaysian villagers try to prevent the refugee boats from landing. [REDACTED]

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Problems for the non-Communist Southeast Asians

The refugee situation threatens to become a contentious issue within the Association of Southeast Asian Nations (ASEAN),

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a political and economic association of the five non-Communist states in the region -- Indonesia, Malaysia, Singapore, Thailand, and the Philippines. Malaysia, in particular, has been pressing for the group to agree on a common position about how to handle the refugee problem, but despite its efforts to arrange for consultations, each of the ASEAN nations tends to deal with the refugees on its own without regard to the region as a whole. Malaysia has privately complained that the refugee burden is not being shared equally among the ASEAN states; the vast majority of the camps are in Malaysia and Thailand, while Indonesia, Singapore, and the Philippines keep out all but a token number of refugees. Singapore has taken an extremely strong line and has imposed an overall limit of 1,000 on the number of refugees permitted asylum in Singapore at any one time. Even this number is accepted only if another country has already agreed to resettle them within 90 days. Indonesia, for its part, tries to prevent refugee boats from landing. It will permit boats to replenish and repair with the understanding that they will continue to Australia. [REDACTED]

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Some of the ASEAN states would like to make the refugees an issue in ASEAN-Vietnam relations. In 1975, the ASEAN states were concerned that accepting Vietnamese refugees might damage future bilateral relations with the Communist government, but lately the concern is that Vietnam is using the ASEAN states as a "dumping ground" for people it does not want. The Malaysians would like ASEAN to make representations to Vietnam and suggest that Hanoi should prove its recently professed interest in improving relations with its neighbors by taking stronger action to prevent refugees from leaving Vietnam. [REDACTED]

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The refugees are also becoming an issue in US relations with Malaysia in particular, but potentially with ASEAN as a whole. Comments by some Southeast Asian officials and editorials in the local press allege that the US and its Western allies are largely to blame for the refugee problem and that they are not exerting enough effort to resettle the refugees. Southeast Asian governments are especially nettled by comments from US and UN officials criticizing them for trying to turn the refugees away and charging that exclusionary practices violate international conventions on human rights. [REDACTED]

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Representatives of the ASEAN states will probably try to formulate a common position on the refugees in the forthcoming Indochinese refugee consultations in Geneva, although thus far there have been no high-level consultations. The UN High Commission on Refugees hopes to convene a meeting of the ASEAN ambassadors in Geneva prior to the general sessions. [REDACTED]

Resettlement Prospects

About 250,000 refugees have been resettled since April 1975, most of them in the United States, France, Australia and Canada. Almost none have been resettled in Southeast Asia itself, although Malaysia accepted a group of Muslims from Kampuchea in 1976. None of the ASEAN states is likely to accept any Vietnamese or overseas Chinese refugees. Thailand may eventually agree to resettle some of the Laotian and Kampuchean refugees now in Thai camps if someone else pays for it. The Thai, however, would not agree to a resettlement program if they thought it might encourage even more Laotians to come. The Thai are concerned that a large resettlement program could create domestic problems because Thai citizens would resent benefits going to foreigners that were not available to themselves. All of the ASEAN states are concerned about the potential security risks posed by the refugees. They worry both about the possibility that Communist agents have been infiltrated into refugee groups and about the prospects that the refugees' presence may arouse discontent among their own citizens. [REDACTED]

If the refugees are not resettled in third countries, both Thailand and Malaysia are likely to redouble their efforts to keep new arrivals out and to pursue attempts to repatriate them to Indochina. Thailand, however, would probably be willing to tolerate the large numbers of Laotians in camps in northern Thailand for some time; Malaysia, on the other hand, feels the refugee problem in its territory has already reached crisis proportions. Thailand already has a large community of Vietnamese refugees who fled there after 1954 and who have never been satisfactorily assimilated. Bangkok recently resumed pressing Hanoi to repatriate this group as agreed to in the Rangoon Agreement of 1959. [REDACTED]

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Prospects for More Refugees

Although it is impossible to predict the number of additional refugees that can be expected over the coming months, there is no reason to assume that the rate will decline. Increased efforts by the Communist governments of Indochina to extend socialization and population control measures, combined with their inability to solve serious economic problems, will undoubtedly cause more people to attempt escape. Efforts to force urban residents to move to the New Economic Zones will also continue. [REDACTED]

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Vietnam's confrontation with China is unlikely to be resolved anytime soon, giving Hanoi little reason to relax its pressure on the overseas Chinese community in Vietnam. Even if government-to-government relations improved, long-standing ethnic hostility between the Vietnamese and the overseas Chinese would continue to make Vietnam an unfriendly place for Chinese residents. [REDACTED]

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The growing border war between Vietnam and Kampuchea will add to the general atmosphere of uncertainty in southern Vietnam, especially as manpower and economic resources are mobilized to support the struggle. [REDACTED]

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Perhaps most important, however, there is evidence that Vietnamese officials are actively encouraging people they regard as potential security problems, particularly the Chinese, to leave. Refugees have always been able to bribe Communist officials in southern Vietnam to overlook escape attempts, but recently there have been reports that it is official Vietnamese policy to expedite the departure of thousands of Chinese refugees to Southeast Asia. In any event, the confrontations with Kampuchea and China will continue to divert manpower from internal security tasks to combat units, thereby reducing Vietnam's ability to prevent refugees from leaving. [REDACTED]

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Some Chinese and Sino-Vietnamese businessmen outside Vietnam are apparently helping to organize large-scale escapes, such as the recent one involving the merchant ship

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25X1 Hai Hong. Although some may be motivated by desires to rescue relatives and friends, most appear attracted by the profits to be made. [REDACTED]

25X1 Refugees will probably also continue to arrive in Thailand from Laos. The Laotian economy shows little sign of improvement, and the government program to socialize agriculture, particularly in the southern area, will continue to cause Lao to seek escape. The Laotian border with Thailand is difficult to patrol. Moreover, there is a long history of movement back and forth across it by the peoples of northern Thailand and Laos. Many will probably keep on entering Thailand without coming to the attention of the Thai authorities. [REDACTED]

25X1 Although economic conditions inside Kampuchea are poor, and politically inspired purges apparently persist in some areas, security along the border with Thailand is so tight that few will escape. Continuing political uncertainty, however, could lead Communist cadre and even security forces, who fear for their own lives as the Kampuchean revolution devours its own, to seek refuge abroad." [REDACTED]

The available evidence indicates that the most important factors behind the decision to flee arise from internal conditions in Indochina itself rather than a "pull effect" from outside, although the refugees, particularly from Vietnam, are often well aware of resettlement programs offered by the US and other nations. The Indochina states show little sign of embarrassment about the large numbers of people who choose to leave, and in the case of Vietnam they encourage them. Despite the fact that many who leave Vietnam are people whose skills are badly needed by the new regime, most officials apparently prefer to rid themselves of potential malcontents rather than hope to convert them. [REDACTED]

The ASEAN states may eventually try to apply concerted diplomatic pressure on Vietnam to get Hanoi to take measures to prevent the refugees from leaving, but they have little if any leverage to exert. The only nation that might conceivably have that kind of influence is the USSR, and it would have no reason to use it, particularly when the refugees in question are largely Chinese. Increased pressure by

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Communist governments to reorganize society and the economy, combined in the case of Laos and Vietnam with the relative ease of arranging an escape, will contribute to a continued large influx of refugees to non-Communist Southeast Asia for the foreseeable future.

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